

RECORDATION NO. 27308-B FILED

JUL 01 '08 -8 30 AM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

July 1, 2008

Anne K. Quinlan, Esquire
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Full Service Railcar Lease, dated as of June 9, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Mortgage previously filed with the Board under Recordation Numbers 27308.

The names and addresses of the parties to the enclosed document are:

Lessor: Babcock & Brown Rail Funding LLC
1 Dag Hammarskjold Plaza
885 Second Avenue, 49th Floor
New York, NY 10017

Lessee: CTS Cement
11065 Knott Avenue, Suite A
Cypress, CA 90630

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A description of the railroad equipment covered by the enclosed document is:

5 covered hopper railcars: BNBX 122374 - BNBX 122379 (excluding BNBX 122378).

A short summary of the document to appear in the index is:

Memorandum of Full Service Railcar Lease.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/sem
Enclosures

JUL 01 '08

-8 30 AM

MEMORANDUM OF FULL SERVICE RAILCAR LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF FULL SERVICE RAILCAR LEASE dated as of this 9th day of June, 2008, to that certain Master Full Service Railcar Lease dated as of April 8, 2008, between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and CTS CEMENT, a Nevada corporation (the "Lessee"), is made by the Lessor and the Lessee (the Lessor and together with the Lessee, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Parties entered into that certain Master Full Service Railcar Lease dated as of April 8, 2008 and that certain Schedule No. 01 thereto dated as of the same date (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement");

WHEREAS, the Parties have entered into Schedule No. 02 dated as of June 9, 2008, covering the equipment listed on Exhibit A hereto (the "Cars") and wish to show for the public record the existence of Schedule No. 02, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

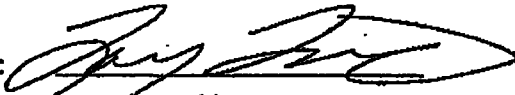
NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This Memorandum of Full Service Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.


[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Full Service Railcar Lease to be executed by a duly authorized officer as of the day and year first above written.

BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

By: 
Name: Larry Littlefield
Title: Vice President
Date: June 26, 2008

CTS CEMENT, as Lessee

By: 
Name: W.R. McLaughlin
Title: President
Date: 6/9/2008

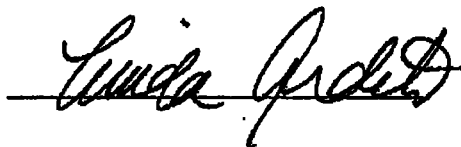
STATE OF CT)

) SS:

COUNTY OF Fairfield)

On June 26, 2008, before me, Linda Ardito, Notary Public, personally appeared Larry Littlefield personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



LINDA ARDITO
Notary Public
State of Connecticut
My Commission Expires April 30, 20 10

STATE OF California)

) SS:

COUNTY OF Orange)

On June 9, 2008 before me, Elva Parra-Talaya, Notary Public, personally appeared William K. McComick, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Elva Parra-Talaya

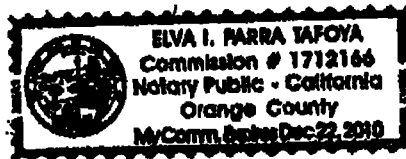


EXHIBIT A

MEMORANDUM OF FULL SERVICE RAILCAR LEASE

<u>Quantity</u>	<u>Car Description</u>	<u>Reporting Marks and Numbers</u>
Five (5)	Pressure Differential Covered hoppers, 3230 CF, AAR Car Type Code C612, built by Trinity North American Freight Car in 2008	BNBX 122374, 122375, 122376, 122377 and 122379.

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: _____

7/1/08



Robert W. Alvord